

DE News

January 18, 2002 – Iowa Department of Education – Ted Stilwill, Director

Education is top priority for Governor

Governor Vilsack and Lt. Governor Pederson identified education as a top priority this week when they outlined their policy and budget objectives for Iowans. Although most state agencies expect to see decreased or flat budgets this year in light of our continued sluggish revenues, the Governor proposes to increase funding for both K-12 and higher education because, as he said in his Condition of the State speech, “a world-class education is essential to both the economic security of individual Iowans and the future economy of our state.”

Of the \$4.77 billion state budget recommendation, 42% or \$2.9 billion would be appropriated to K-12 education and 19% to higher education. Highlights of the Governor’s budget and policy recommendations include:

K-12 Recommendations

- Budgeting typically starts in the beginning days of a legislative session; this year, however, lawmakers are waiting for estimates from the March Revenue Estimating Conference before they tackle budgets for FY03 that begins July 1 of this year.
- One exception will be school foundation aid and spending authority. The Governor has asked legislators to address those budget issues within the next three weeks to help schools meet budget deadlines.
- K-12 foundation aid for FY03 is recommended to grow by \$59 million from the current level of funding; the 4.3 across-the-board cut is not being restored. The allowable growth rate recommended is 1%. As most of you are aware, the FY03 allowable growth rate was set at 4% during the last legislative session, but the state cannot afford an increase that high. The \$59 million increase recommended by the Governor represents the largest increase of any state appropriation in FY03.
- The allowable growth rate recommended for FY04 is 3%, which would increase state aid by \$77 million.
- Teacher Quality initiatives would be funded again at the FY02 level of \$40 million.
- Class size/early intervention funding will continue at \$30 million.
- School infrastructure funding will continue at its current level of \$20 million.
- School technology funding will continue at \$10 million.
- Phase III funding remains at its current level.

Community College Recommendations

- Higher education is another one of the few growth areas the Governor is recommending for FY03. State aid for community colleges would increase \$4 million.
- Community college boards would be given authority to collect more local revenues.

Teacher Quality Initiative Recommendations

- Implementation of the new Teacher Quality policies passed last year will be fully maintained but adjusted in scope and timing to accommodate the \$40 million funding level and address practical issues that arose during the first year of implementation.
- For instance, the Governor and Lt. Governor are recommending adjustments to the career paths, evaluation process, and requirements for more contract days. By proceeding more slowly and taking the time to make these changes correctly, he believes Iowa can ease implementation, achieve some of the original intent, and learn about potential benefits prior to expansion in future years.

Overall, statewide implications

- In addition to education, the Governor has identified children and family services, investments in economic development, and protection of the “rainy day” fund as key state priorities.
- Several state departments will reorganize or consolidate to manage delivery of services more efficiently with high customer service.
- The governor’s recommendations show that most state appropriations would be reduced from actual FY02 levels.
- You can find full details on the Governor’s Web site at:
http://www.state.ia.us/governor/agenda/budget_in_brief/

What’s next

Legislators now will respond with their own budget recommendations, and all lawmakers will be negotiating and debating the various components. When final budget bills are drafted, they will go to the appropriations committees and then to floor debate, which we would expect to happen sometime in April. Again, legislators have said they’d like to see the results from the March Revenue Estimating Conference before they make final budget decisions.

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Iowa Department of Education Mission:

“Helping communities meet the learning needs of all of their children and adults”

DE News provides timely information about legislative and policy issues, grants and funding, trends in education, and other items of immediate interest to Iowa educators and policymakers. Contact Kathi Slaughter, 515/281-5651; fax 515/281-4122; email kathi.slaughter@ed.state.ia.us.